

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)	
Universal Service Contribution Methodology)	WC Docket No. 06-122
A National Broadband Plan For Our Future)	GN Docket No. 09-51
)	

REPLY COMMENTS OF THE DETROIT EDISON COMPANY

I. BACKGROUND

The Detroit Edison Company (“Detroit Edison”) hereby submits the following Reply Comments in the above-referenced proceeding in response to the Federal Communications Commission's ("FCC" or "Commission") Further Notice of Proposed Rulemaking regarding the reform and modernization of universal service contribution methodology.¹ In the FNPRM the Commission asks a series of questions relating to smart meter and smart grid machine-to-machine ("M2M") connections and communications. More specifically, the FCC asks whether such communications should be excluded from its proposed "Definitional Approach" or whether it should use its permissive authority to assess Universal Service Fund ("USF") contributions on smart meter and smart grid communications.² Additionally, the Commission asks whether smart meter and smart grid M2M connections should be assessed in the range of \$1 per month or some other amount.³

The Edison Electric Institute (“EEI”) has contemporaneously submitted Reply Comments in this proceeding arguing, in response to the FCC’s questions, that the FCC “has no statutory

¹ See FCC, Further Notice of Proposed Rulemaking, WC Docket No. 06-122, GN Docket No. 09-51 (April 30, 2012) ("*FNPRM*").

² *Id.* at ¶ 87.

³ *Id.* at ¶¶ 250, 252.

authority to impose USF fees on smart meters and smart grid M2M connections or communications when utilized by electric utilities as a component of either intrastate regulated utility service or interstate transmission facilities subject to regulation by the Federal Energy Regulatory Commission ("FERC");” and that it “would be an absolute mistake” and “contrary to the public interest” for the FCC assess a \$1 per month fee on each smart meter deployed in the United States, or to otherwise assess smart grid communications.

II. REPLY COMMENTS OF DETROIT EDISON

The Detroit Edison Company (“Detroit Edison”), a wholly-owned subsidiary of DTE Energy Company, is an electric utility engaged in the generation and distribution of electric energy in the State of Michigan. Detroit Edison provides retail electric service to approximately two million customers throughout portions of southeastern Michigan, and also engages in wholesale sales of electric energy in interstate commerce. Detroit Edison’s retail operations and wholesale operations are subject to the regulatory jurisdiction of the Michigan Public Service Commission and the FERC, respectively.

Detroit Edison appreciates the opportunity to submit comments to the FCC in response to the FNPRM issued in this proceeding. Detroit Edison shares the concerns detailed in EEI’s Reply Comments dated August 6, 21012. Specifically, Detroit Edison joins EEI in opposing any proposed USF assessments on smart meters by the FCC, and also supports EEI’s legal argument that the FCC has no legal authority to impose such fees on connections utilized by electric utilities such as Detroit Edison.

III. CONCLUSION

WHEREFORE, for the foregoing reasons, Detroit Edison respectfully requests that the Commission consider these Reply Comments and ensure that any Commission action taken with respect to USF contribution methodology is consistent with them.

Respectfully submitted,

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